

COMPUTER FORMS (MALAYSIA) BHD
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 JUNE 2019
(The figures are unaudited)

| | FY 2020 Current Qtr Ended 30 Jun 19 | FY 2019 Corresponding Qtr Ended 30 Jun 18 | FY 2020 Current 3 months Cumulative to 30 Jun 19 (RM'000) | FY 2019 Corresponding 3 months Cumulative to 30 Jun 18 (RM'000) |
|---|--|--|---|---|
| | <u>(RM'000)</u> | <u>(RM'000)</u> | <u>(RM'000)</u> | <u>(RM'000)</u> |
| Continuing Operations: | | | | |
| Revenue | 7,286 | 8,744 | 7,286 | 8,744 |
| Cost of Sales | (6,718) | (8,228) | (6,718) | (8,228) |
| Gross Profit | <u>568</u> | <u>516</u> | <u>568</u> | <u>516</u> |
| Other Income | 106 | 87 | 106 | 87 |
| Administrative Expenses | (730) | (658) | (730) | (658) |
| Selling and Marketing Expenses | (374) | (455) | (374) | (455) |
| Other Expenses | (142) | (140) | (142) | (140) |
| Finance Costs | (112) | (142) | (112) | (142) |
| Profit/(loss) Before Tax | <u>(684)</u> | <u>(792)</u> | <u>(684)</u> | <u>(792)</u> |
| Income tax expenses | - | - | 0 | 0 |
| Profit/(loss) For The Period | <u>(684)</u> | <u>(792)</u> | <u>(684)</u> | <u>(792)</u> |
| Other Comprehensive Income | - | - | - | - |
| Total Comprehensive Income For The Period | <u>(684)</u> | <u>(792)</u> | <u>(684)</u> | <u>(792)</u> |
| Profit Attributable to: | | | | |
| Owners of the parent | (618) | (795) | (618) | (795) |
| Non- Controlling Interest | (66) | 3 | (66) | 3 |
| | <u>(684)</u> | <u>(792)</u> | <u>(684)</u> | <u>(792)</u> |
| Total Comprehensive Income Attributable to: | | | | |
| Owners of the parent | (618) | (795) | (618) | (795) |
| Non- Controlling Interest | (66) | 3 | (66) | 3 |
| | <u>(684)</u> | <u>(792)</u> | <u>(684)</u> | <u>(792)</u> |
| EPS - Basic and Diluted (sen) | (1.51) | (1.94) | (1.51) | (1.94) |

(THE CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019)

COMPUTER FORMS (MALAYSIA) BERHAD
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019
(The figures are unaudited)

| | As At 30 Jun 19 | As At 31 Mar 19 |
|--|--------------------|--------------------|
| | <u>(RM'000)</u> | <u>(RM'000)</u> |
| ASSETS | | |
| Non-current assets | | |
| Property, Plant and Equipment | 30,001 | 30,061 |
| Goodwill | 393 | 393 |
| | <u>30,394</u> | <u>30,454</u> |
| Current Assets | | |
| Inventories | 10,381 | 9,561 |
| Trade and Other Receivables | 8,717 | 10,159 |
| Tax Recoverable | 619 | 522 |
| Cash and Bank Balances | 9,701 | 11,209 |
| | <u>29,418</u> | <u>31,451</u> |
| Total Assets | <u>59,812</u> | <u>61,905</u> |
| EQUITY AND LIABILITIES | | |
| Equity Attributable to Equity Holders of The Parent | | |
| Share Capital | 41,000 | 41,000 |
| Retained Earnings | 4,916 | 5,534 |
| | <u>45,916</u> | <u>46,534</u> |
| Non-Controlling Interest | 2,233 | 2,299 |
| Total Equity | <u>48,149</u> | <u>48,833</u> |
| Non-Current Liabilities | | |
| Long-Term Borrowings | - | 295 |
| Hire Purchase Creditor | 56 | 60 |
| Deferred Tax | 1,970 | 1,970 |
| Total Non-Current Liabilities | <u>2,026</u> | <u>2,325</u> |
| Current Liabilities | | |
| Trade and Other Payables | 2,160 | 3,691 |
| Hire Purchase Creditor | 54 | 125 |
| Short-Term Borrowings | 7,423 | 6,931 |
| Taxation | - | - |
| Total Current Liabilities | <u>9,637</u> | <u>10,747</u> |
| Total Liabilities | 11,663 | 13,072 |
| Total Equity and Liabilities | <u>59,812</u> | <u>61,905</u> |
| | | |
| Net Asset Per Share (RM) | 1.12 | 1.13 |

(THE CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019)

COMPUTER FORMS (MALAYSIA) BERHAD
 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE QUARTER ENDED 30 JUNE 2019
 (The figures are unaudited)

| | ←----- Attributable to Equity Holdings of Parent-----> | | | Non- Controlling Interest | Total Equity |
|---|--|---------------------------------------|---------------|---------------------------------|---------------|
| | Share Capital | Distributable Retained Earnings | Total | | |
| As at 1 April 2018 | 41,000 | 8,442 | 49,442 | 2,284 | 51,726 |
| Total Comprehensive Income For The Period | | (795) | (795) | 3 | (792) |
| At 30 June 2018 | 41,000 | 7,647 | 48,647 | 2,287 | 50,934 |
| As at 1 April 2019 | 41,000 | 5,534 | 46,534 | 2,299 | 48,833 |
| Total Comprehensive Income For The Period | | (618) | (618) | (66) | (684) |
| At 30 June 2019 | 41,000 | 4,916 | 45,916 | 2,233 | 48,149 |

(THE CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY SHOULD BE READ
 IN CONJUNCTION WITH THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019)

COMPUTER FORMS (MALAYSIA) BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
AS AT 30 JUNE 2019
(The figures are unaudited)

| | FY 2020 3 months ended 30 Jun 19 (RM'000) | FY 2019 3 months ended 30 Jun 18 (RM'000) |
|--|---|---|
| CASHFLOWS FROM OPERATING ACTIVITIES | | |
| Profit/(Loss) before tax | (684) | (792) |
| Adjustments for: | | |
| Depreciation | 344 | 377 |
| Interest Income | (45) | |
| Interest Expense | 112 | 142 |
| Other non cash/non operational items | (36) | (3) |
| Operating profit before working capital changes | <u>(309)</u> | <u>(277)</u> |
| Working capital changes: | | |
| Inventories | (820) | (162) |
| Debtors | 1,442 | 1,884 |
| Creditors | (1,602) | (1,086) |
| Cash inflows/(outflows) from operations | <u>(1,289)</u> | <u>360</u> |
| Tax (paid)/Refunded | (97) | (194) |
| Interest paid | (112) | (142) |
| Interest Income | 45 | |
| Net cash inflows/(outflows) from operating activities | <u>(1,453)</u> | <u>24</u> |
| CASHFLOWS FROM INVESTING ACTIVITIES | | |
| Acquisition of Plant, Property and Equipment (PPE) | (284) | (213) |
| Proceeds from disposal of PPE | 36 | 2.83 |
| CASHFLOWS FROM FINANCING ACTIVITIES | | |
| Repayment of long term liabilities | (299) | (327) |
| Proceeds/(Repayment) from short term borrowings | 1,186 | (135) |
| Movement of margin deposits | (140) | 1,027.84 |
| NET (DECREASE)/INCREASE IN CASH & CASH EQUIVALENTS | <u>(954)</u> | <u>380</u> |
| CASH & CASH EQUIVALENTS BROUGHT FORWARD | 7,505 | 5,111 |
| CASH & CASH EQUIVALENTS CARRIED FORWARD | <u><u>6,551</u></u> | <u><u>5,491</u></u> |
| Cash and Cash Equivalents at end of financial period comprise of the following: | | |
| | As At 30 Jun 19 (RM'000) | As At 30 Jun 18 (RM'000) |
| Cash and Bank Balances | 9,701 | 9,246 |
| Fixed Deposit Pledged with licenced banks | (1,235) | (460) |
| Bank Overdrafts (included within Short Term Borrowings) | (1,915) | (3,295) |
| | <u><u>6,551</u></u> | <u><u>5,491</u></u> |

(THE CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS SHOULD BE READ IN CONJUNCTION WITH THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019)

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 30 JUNE 2019

A. Compliance with Financial Reporting Standard (FRS) 134, Interim Financial Reporting and Bursa Listing Requirements

A1. Accounting Policies and Methods of Computation

The interim financial report has been prepared in accordance with FRS 134, *Interim Financial Reporting* and paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2019. The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the audited financial statements for the year ended 31 March 2019.

The following new MFRSs, IC Interpretations and Amendments to MFRSs and IC Interpretations have been issued and are relevant but are not yet effective to the Group and the Company:

| Standards/IC Interpretations/Amendments | Effective Date |
|--|-----------------------|
| Amendments to MFRS 3 – Business Combinations | 1 January 2020 |
| Amendments to MFRS 134 – Interim Financial Reporting | 1 January 2020 |
| Amendments to MFRS 101 – Definition of Material | 1 January 2020 |
| Amendments to MFRS 108 – Definition of Material | 1 January 2020 |
| Amendments to MFRS 137 – Definition of Material | 1 January 2020 |
| Amendments to References to the Conceptual Framework in MFRS Standards | 1 January 2020 |

A2. Explanatory Comments about the Seasonality or Cyclicity of Interim Operations

The operations of the Group are not significantly affected by seasonal or cyclical factors.

A3. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cashflows

There were no items affecting assets, liabilities, equity, net income, or cash flows that were unusual because of their nature, size or incidence.

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 30 JUNE 2019

A4. Material Changes in Estimates

There were no material changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years.

A5. Issuance, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities.

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities in the financial year to date.

A6. Dividends Paid

No dividend was paid by the Company in the interim period or the financial year to date.

A7. Operating Segmental Information

The segment revenue and result of business segments for the financial year to date are as follows:

| All balances in RM'000 | Business Forms and Data Print Services | | Commercial Printing | | Flexible Packaging | | Other/ Consol Adj | | Consolidated Totals | |
|---------------------------|--|-------|------------------------|-------|-----------------------|-------|----------------------|-------|------------------------|-------|
| | FY'20 | FY'19 | FY'20 | FY'19 | FY'20 | FY'19 | FY'20 | FY'19 | FY'20 | FY'19 |
| Revenue | | | | | | | | | | |
| Revenue | 3,772 | 4,067 | 256 | 483 | 3,266 | 4,203 | (8) | (9) | 7,286 | 8,744 |
| Results | | | | | | | | | | |
| Profit Before Tax | (457) | (248) | 39 | (287) | (287) | (325) | 21 | 68 | (684) | (792) |

A8. Valuation of Property, Plant and Equipment

The valuation of plant and equipment were brought forward without any amendment from the previous annual financial statements.

A9. Subsequent Events

There were no events subsequent to the end of the interim period that has not been reflected in the financial statements for the interim period.

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 30 JUNE 2019

A10. Effect of Changes in the Composition of the Group

There were no changes in the composition of the Group during the interim period, including business combinations, disposal of subsidiaries and long-term investments, restructurings and discontinued operations.

A11. Capital Commitments

There was no material capital commitments not recognised in the interim financial statements.

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 30 JUNE 2019

B. Explanatory Notes pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B1. Review of Performance of Operating Segments

Business Forms and Data Print Services

The revenue for the first quarter of RM3.8 million was 7% lower as compared with the corresponding quarter in the preceding year. The lower revenue was primarily due to a decrease in sales of data print services.

A loss before tax for the first quarter of RM457,000 was reported as compared to a loss before tax of RM248,000 the corresponding quarter in the preceding year. The weaker performance was due to the lower revenue and higher raw material utilization.

Commercial Printing

The revenue for the first quarter of RM0.26 million was 47% lower as compared with the corresponding quarter in the preceding year. This was due to lower sales of exercise books after the cessation of this business.

The profit before tax for the first quarter of RM39,000 was reported as compared to a loss before tax of RM0.29 million the corresponding quarter in the preceding year. The profit reported in the current quarter was due to lower production labour costs resulting from the cessation of the exercise book business.

Flexible Packaging

The revenue for the first quarter of RM3.3 million was 22% lower as compared with the corresponding quarter in the preceding year. The decrease in revenue was due to lower sales to the domestic market resulting from a slowdown in consumer spending.

A loss before tax for the first quarter of RM287,000 was reported as compared to loss before tax of RM325,000 the corresponding quarter in the preceding year. The lower loss was due to lower raw materials utilisation as well as lower production labour costs.

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 30 JUNE 2019

B2. Material Changes in Profit Before Tax for Current Quarter as Compared to the Preceding Quarter.

| | Current Qtr Ended 30 Jun 2019 (RM'000) | Preceding Qtr Ended 31 Mar 2019 (RM'000) |
|--------------------------|---|---|
| Revenue | 7,286 | 8,711 |
| Profit/(loss) Before Tax | (684) | (338) |

The lower revenue this current quarter was primarily due to lower sales of data print services and print packaging. The loss before tax this current quarter was higher due to higher losses reported at the business forms and data print services segments.

B3. Prospects

- a) The Management expects performance to remain sluggish in view of the competitive market and challenging economic environment.
- b) The Group has not announced or disclosed in a public document any revenue or profit estimate, forecast, projection or internal targets.

B4. Statement of the Board of Directors' Opinion as to whether Revenue or Profit Estimate, Forecast, Projection or Internal Targets are likely to be achieved.

Not applicable as the Group has not announced or disclosed in a public document any revenue or profit estimate, forecast, projection or internal targets.

B5. Variance of Profit Forecast and Profit Guarantees

Not applicable as the Group has not disclosed any profit forecasts or made any profit guarantees.

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 30 JUNE 2019

B6. Tax

| | Current Quarter Ended 30 Jun'19 RM'000 | 3 Months Cumulative YTD 30 Jun'19 RM'000 |
|-----------------------------|---|--|
| Income tax expense/(credit) | 0 | 0 |

B7. Status of Corporate Proposals

- a) The Company does not have any pending corporate proposals.
- b) The disclosure of the utilisation of proceeds raised from any corporate proposal is not applicable.

B8. Group Borrowings and Debt Securities

Details of the Group's borrowings as follows:

| | As At 30 Jun '19 RM'000 |
|---------------------------------|-------------------------------|
| Short Term Borrowings – Secured | 7,423 |
| Long Term Borrowing – Secured | 56 |

The Group does not have any debt securities. All borrowings are secured and ringgit denominated.

B9. Changes in Material Litigation

There were no pending material litigations since the date of the last Annual Statement of Financial Position.

B10. Dividend

No dividend was proposed during the financial year to date.

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 30 JUNE 2019

B11. Earnings Per Share (EPS)

Basic and Diluted Earnings Per Share

| FY 2020 | Quarter Ended 30 Jun'19 | Cumulative 3 Months Ended 30 Jun '19 |
|---|------------------------------------|---|
| RM'000 | | |
| Profit/(Loss) for the Period attributable to owners of the parent | (684) | (684) |
| No. of Ordinary Shares | 41,000 | 41,000 |
| Earnings/ (loss) Per Share | (1.51) sen | (1.51) sen |
| | | |
| FY 2019 | Quarter Ended 30 Jun'18 | Cumulative 3 Months Ended 30 Jun'18 |
| RM'000 | | |
| Profit/(Loss) for the Period attributable to owners of the parent | (792) | (792) |
| No. of Ordinary Shares | 41,000 | 41,000 |
| Earnings/ (loss) Per Share | (1.94) sen | (1.94) sen |

B12. Qualification of Audit Report

There was no audit qualification in the preceding annual financial statement of the Group and Company for the financial year ended 31 March 2019.

COMPUTER FORMS (MALAYSIA) BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 30 JUNE 2019

B13. Notes to the Comprehensive Income Statement

| | Current Qtr 30 Jun'19 RM'000 | 3 Mths to Date 30 Jun'19 RM'000 |
|---|------------------------------------|---------------------------------------|
| a) Interest income | 45 | 45 |
| b) Other income (exclude interest income) | 61 | 61 |
| c) Interest expense | 112 | 112 |
| d) Depreciation and amortization | 344 | 344 |
| e) Provision for and write off of receivables | 0 | 0 |
| f) Provision for and write off of inventories | 0 | 0 |
| g) Gain and loss on disposal of quoted and unquoted investments or properties | 0 | 0 |
| h) Impairment of assets | 0 | 0 |
| i) Foreign exchange (gain)/loss | (11) | (11) |
| j) Gain or loss on derivatives | 0 | 0 |
| k) Exceptional items | 0 | 0 |

By order of the Board

LEE YU JIN
Chief Financial Officer
27 August 2019